

United States
Department of
Agriculture

April 11, 2006

Dear Step 2 Participant:

Farm and Foreign Agricultural Service

The purpose of this letter is to inform you of changes affecting participants in the Upland Cotton Domestic User Marketing Certificate Program (Step 2).

Farm Service Agency Section 1103 of the Deficit Reduction Act of 2005 (Pub. Law 109-171) repeals the authorizing language found in Section 136 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7236) in its entirety, and amends Section 1207 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7937) eliminating the Upland Cotton User Marketing Certificate Program. The effective date of this action is August 1, 2006.

1400 Independence Ave SW Stop 0553 Washington, DC 20250-0550 The Commodity Credit Corporation (CCC) will exercise the option in Section A-10 of your Upland Cotton Domestic User/Exporter Agreement. Section A-10 states, in part, "This Agreement will continue in force until it is terminated in writing by CCC..." Therefore, CCC plans to terminate the Agreement effective August 1, 2006, confirming the termination date. In addition, the follow-up letter will provide guidance regarding record-keeping and access responsibilities of the Agreement Holders.

Please direct any questions you may have to Tim Murray at (202) 720-6125 or via email to: tim.murray@usda.gov.

Sincerely,

Bert Farrish

Deputy Administrator for Commodity Operations